

REDEVELOPMENT AGENCY
OF THE
CITY OF BURBANK

RESOLUTION NO R- 2132

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF
THE CITY OF BURBANK APPROVING PROPOSED
REVISIONS TO THE COMMERCIAL REHABILITATION LOAN
AGREEMENT WITH PALLISER FURNITURE, LTD FOR EQ3

RA 60

THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK FINDS

A On April 26, 2005, the Redevelopment Agency of the City of Burbank ("Agency") adopted Resolution No R-2130, which approved a Commercial Rehabilitation Agreement by and between the Redevelopment Agency of the City of Burbank and Palliser Furniture LTD and which provided a forgivable loan for \$257,800 for building and tenant improvements to EQ3 under the Downtown Tenant Assistance Program (hereafter the "EQ3 Agreement")

B Palliser Furniture LTD has requested that the EQ3 Agreement be assigned to Canuck Holdings, LLC, a California limited liability company, with Doug Smith and Jim McGovern as the managing members Pursuant to Section 6.3 of the EQ3 Agreement, the Agency is required to consider the approval of an assignment

THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK RESOLVES

1 The EQ3 Agreement may be amended to effectuate an assignment from Palliser Furniture LTD to Canuck Holdings, LLC, a California limited liability company, with Doug Smith as the majority owner and managing member The Executive Director, or her designee, has the authority to execute the amendment, and the Secretary shall attest such signature, but only after the completion of the condition precedent set forth in Resolve No. 4 below

2 In addition, the EQ3 Agreement may be amended to provide Jim McGovern, in a corporate capacity, as CEO of Tralee Investments, Inc., and in personal capacity, to guaranty the performance of the obligations The Executive Director, or her designee, may execute such amendment, upon the completion of the condition precedent set forth in Resolve No. 4 below

3 The EQ3 Agreement may be further amended to reflect the other provisions set forth in the staff report, dated June 21, 2005, which is incorporated by this reference The Executive Director, or her designee, is authorized to execute the amended EQ3 Agreement once approved by the City Attorney, and the Secretary may attest such

signature, subject to certification by the Assistant Executive Director of Completion of the Condition precedent set forth in Resolve No 4 below

4 The Assistant Executive Director shall certify that the following conditions precedent have been satisfied before the Executive Director executes any documents in accordance with this resolution

a Completion of the improvements and release of construction covenants (pursuant to the agreement),


b Review and approval of updated financials prior to loan disbursement,

c Verification that no substantial changes have occurred with the proposed new guarantor, and

d Verification that no default has occurred under the agreement

5 The Agreement is on file at the City Clerk's Office and the City Clerk is directed to retain the Agreement referenced herein, as a permanent file

PASSED and ADOPTED this 21st day of June, 2005


Jeff Vander Borght
Chairperson of the Redevelopment
Agency of the City of Burbank

Attest


Josephine Wilson, Deputy Secretary

Approved as to Form and Legal Content
Dennis A. Barlow, City Attorney/Agency Counsel


By Mary F. Riley, Senior Asst. City Attorney